GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1735
ANSWERED ON:04.12.2006
TRANSPORTATION OF FOODGRAINS
Gadhavi Shri Pushpdan Shambhudan;Mehta Shri Alok Kumar

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) Whether a huge amount of food subsidy is lost due to unnecessary transportation of foodgrains from one State to another for distribution under Public Distribution System ;

(b) If so, whether the Government has since decided to review this policy with a view to allow States to distribute foodgrains within the State from where it has been procured ;

(c) If so, the details thereof; and

(d) The time by which it is likely to be implemented?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a) : A major portion of the procurement of wheat and rice is procured from a few States, such as Punjab, Haryana, U.P., A.P. and Chhatisgarh Foodgrains procured from these States have to necessarily be transported to other consuming States.

(b),(c)&(d):The scheme of Decentralized Procurement of foodgrains was introduced in 1997-98 to enhance the efficiency of procurement and PDS and to encourage procurement in non-traditional States, thereby extending the benefits of MSP to local farmers as well as to save on transit losses and transportation costs. This also enables procurement of foodgrains more suited to local taste for distribution under the PDS.

Under this scheme, the State Government itself undertakes direct purchase of paddy and wheat and procurement of levy rice on behalf of Government of India, and also stores and distributes these foodgrains there.

The Central Government undertakes to meet the entire expenditure incurred by the State Governments on the procurement operations as per the approved costing. The State Governments of West Bengal, Madhya Pradesh, Uttar Pradesh, Chhatisgarh, Uttaranchal, A & N Islands, Orissa, Tamil Nadu, Gujarat, Kerala and Karnataka are undertaking Decentralised Procurement.